UNITED STATES PATENT AND TRADEMARK OFFICE

INVENTOR(S): Yolanda Prieto GROUP ART UNIT: 2626

APPLN. NO.: 10/813,472 EXAMINER: Stoffregen, Joel

FILED: March 30, 2004 Confirmation No.: 4787

TITLE: METHOD AND APPARATUS FOR IMPROVED BIT RATE EFFICIENCY

IN WAVELET BASED CODECS BY MEANS OF SUBBAND

CORRELATION

REPLY TO OFFICE ACTION DATED JULY 10, 2007

This reply is being filed electronically

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

This communication is responsive to the Office Action mailed July 10, 2007 concerning the above-identified application. A Petition for Extension of Time to respond, with fee authorization, is submitted concurrently herewith. This reply is provided in response to the Office Action in accordance with 37 CFR § 1.111, 37 CFR § 1.115, or 37 CFR § 1.116. Applicant submits the following amendments and remarks and respectfully requests the Examiner to reconsider the rejections made in the Office Action and to allow the claims to issue.

Please amend the above-referenced application as follows:

Amendments to the Claims are reflected in the listing of the claims, which begins on page 2 of this paper.

Remarks begin on page 6 of this paper.